

Message Text

LIMITED OFFICIAL USE

PAGE 01 LONDON 04484 171845Z
ACTION EUR-12

INFO OCT-01 ISO-00 IO-13 FEA-01 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 FRB-03 H-01 INR-07 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 AID-05 SS-15 STR-04
ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 /100 W
-----180730Z 087306 /13

R 171828Z MAR 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 1671
INFO USMISSION EC BRUSSELS
USMISSION GENEVA
USDEL MTN GENEVA
USMISSION OECD PARIS
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
AMEMBASSY LUXEMBOURG
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY THE HAGUE

LIMITED OFFICIAL USE LONDON 04484

E.O.11652: N/A
TAGS: ETRD, EGEN, GATT, UK, US, MT/N
SUBJECT: CALLAGHAN ON TRADE ISSUES

IN THE CONTEXT OF HIS MARCH 15 HOUSE OF COMMONS REPORT
ON HIS TRIP TO THE UNITED STATES, PRIME MINISTER CALLA-
GHAN MADE THE FOLLOWING COMMENTS ON THE MTN. PROTECTION-
ISM, IMPORT CONTROLS AND MFA ISSUES.

(A) CALLAGHAN SAID THE OUTCOME OF THE MULTILATERAL
TRADE NEGOTIATIONS "WILL TO A GREAT EXTENT DEPEND ON HOW
FAR WE CAN INSURE THERE IS A RAPID RATE OF GROWTH IN THE
INDUSTRIAL WORLD," AND HE WARNED THAT A RETURN TO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 04484 171845Z

"GENERAL PROTECTIONISM" WOULD BE THE "WRONG ROAD" FOR
EVERYONE. HE TOLD THE COMMONS THAT PRESIDENT CARTER HAD
AGREED THAT GENERAL PROTECTIONISM COULD ONLY DELAY THE
WORLD'S EMERGENCE FROM THE PRESENT ECONOMIC RECESSION.
HE ALSO STATED THAT HE HAD EXPRESSED THE VIEW TO PRESI-
DENT CARTER THAT IF THE U.S., AS THE LARGEST TRADING
NATION, GAVE WAY TO PROTECTIONIST PRESSURES, THIS WOULD

NOT ONLY SLOW DOWN PROGRESS IN THE MTN BUT WOULD ENCOURAGE OTHERS TO FOLLOW SUIT. CALLAGHAN SAID THE DISCUSSION ON PROTECTIONISM WAS NOT CONDUCTED IN GREAT DETAIL BUT THAT HE DID MENTION SPECIALTY STEEL AS A CASE IN WHICH THE UK "WOULD REGRET AN EXTENSION OF AMERICAN PROTECTIONISM."

(B) AT THE SAME TIME CALLAGHAN MADE IT CLEAR THAT HE RESERVED BRITAIN'S RIGHT TO IMPOSE SELECTIVE IMPORT CONTROLS WHEN NECESSARY IN CASES WHERE AN INDUSTRY, WHICH WOULD OTHERWISE BE VIABLE, WAS IN DANGER OF BEING CRUSHED AS A RESULT OF THE RECESSION. HE SAID IT WOULD BE "FOOLISH" FOR BRITAIN TO DENY ITSELF THE USE OF SUCH A WEAPON IN APPROPRIATE CIRCUMSTANCES.

(C) IN RESPONSE TO A QUESTION ABOUT THE PROBLEMS OF THE UK TEXTILE INDUSTRY, CALLAGHAN SAID THAT WHILE HE DID NOT DISCUSS THE ISSUE IN DETAIL WITH THE PRESIDENT, THERE ARE LIKELY TO BE DIFFICULTIES AHEAD IN THE RENEGOTIATION OF THE MULTIFIBRE ARRANGEMENT, AND HE LINKED THIS TO THE FACT THAT THE U.S. WISHES TO SEE THE MFA RENEWED "WITHOUT AMENDMENT."

SPIERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, FOREIGN POLICY POSITION, SPEECHES
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON04484
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770093-0106
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770350/aaaabrgh.tel
Line Count: 84
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 46247db6-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3081425
Secure: OPEN
Status: NATIVE
Subject: CALLAGHAN ON TRADE ISSUES IN THE CONTEXT OF HIS MARCH 15 HOUSE OF COMMONS REPORT ON HIS TRIP TO THE UNITED STATES, PRIME MINISTER C
TAGS: ETRD, EGEN, UK, US, GATT, MTN, (CALLAGHAN, JAMES)
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/46247db6-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009